

# ANNUAL PROGRAM INCOME REPORT

Jurisdictions that earn program income (PI) from CDBG activities (see Chapter 14 for details), must adopt local program and reporting procedures that ensure compliance with CDBG eligibility, national objectives, and reporting requirements. Jurisdictions must then report annually to the Department on the receipt and use of PI, using one report for the jurisdiction. Note that if the gross income earned from all CDBG-funded activities is less than \$25,000, it does not have to be considered PI.

Instructions for completing the report are as follows:

**Heading** - The information requested is self-explanatory except for “Program Income on Hand.” On this line, please report **all** program income (PI) on hand at the end of the fiscal year. This would include PI held in revolving loan funds, as reported in Section V, Column E of this report, plus any PI held/deposited in other accounts.

**Section I**, summarize the program income (PI) received from open and closed CDBG grants and how it was used. When initially received, PI from a CDBG grant can only be used for an open grant, returned to the Department or deposited into an revolving loan fund (RLF).

1. In column A, list the grant number of each CDBG grant that earned PI.
2. In column B, report the total amount of PI received from each grant. The costs incidental to the generation of program income may be deducted from gross income to determine program income.
3. In column C, report the PI used for an open grant and/or returned to the Department.
4. In column D, report the total amount of PI deposited into a RLF.

NOTE: In the comments section, explain the purpose and amount of PI used for an open grant.

**Section II**, summarize the PI received from your revolving loan funds. Interest earned on funds deposited in the RLF and the repayment of loans will be the most common sources of PI earned by a RLF.

1. In column A, list the RLF's in use.
2. In column B, report the total PI earned from each RLF. The costs incidental to the generation of program income may be deducted from gross income to determine program income.
3. In column C, report the amounts deposited into each RLF, as reported in Section I, Column D.
4. In Section D, report the total PI earned and deposited into each RLF. (Columns B plus C)

NOTE: The totals of Section I, Column B and Section II, Column B will be the total PI earned during the report period. If the total PI earned is less than \$25,000, the income can be classified as miscellaneous revenue by the jurisdiction.

**Section III**, summarize the PI disbursed from each RLF.

1. In column A, list the RLF's in use.
2. In column B, report the amount of PI disbursed for revolving activities.
3. In column C, report the amount of PI disbursed for non-revolving activities.
4. In Column D, report the total PI disbursed from each RLF. (Columns B plus C)

NOTE: At least 51% of the funds disbursed from a RLF must be for revolving activities, such as loans, and no more than 49% can be for non-revolving activities. However, if RLF's are used to amend an open grant, these funds will be reported in column C, but will not be included when calculating these percentages. The purpose and amount of any RLF's used to amend an open grant must be explained in the comments section of the report.

**Section IV**, summarize, in detail, the RLF's disbursed for non-revolving activities.

1. In column A, list the RLF's in use.
2. In column B, report the total amounts disbursed for non-revolving activities, as reported in Section III, column C.
3. In column C, report the amounts disbursed for general administration.
4. In column D, report the amounts used for grants made with RLF.
5. In column E, report the amounts used for activity delivery.
6. In column F, report the amounts used to amend an open grant to add an activity and/or to augment the funding of an open grant activity.

NOTE: The totals of columns C, D, and E must equal column B. Also, funds disbursed for general administration are limited to 18% of the 49% allowed for non-revolving activities.

**Section V**, summarize the RLF's ending balances.

1. In column A, list the RLF's in use.
2. In column B, report the beginning balance of each RLF.
3. In column C, report the total PI earned/deposited to each RLF, as reported in Section II, column D.
4. In column D report the total PI disbursed, as reported in Section III, column D.
5. In column E, report the ending balance of each RLF. (Columns B+C-D)

NOTE: The amounts reported in Sections I to V should agree with the jurisdictions official accounting records.

**Section VI**, provides information on the amount of program revenue used to service the CDBG loans. Grantees that do not use this option will report zero (\$0) for Loan Servicing Costs and the reported Gross Revenue Earned will equal the Reported Program Income. Grantees that elect to use this option will report the **total** program revenue earned less the **total** program revenue used to service the loans. The difference will be the **program income** received during the report period, which will be reported on Section I, Column B and Section II, Column B.

**Section VII** is the jurisdiction's certification that the report is accurate and that all PI was expended for CDBG eligible activities that addressed a national objective.

**Community Development Block Grant Program  
ANNUAL PROGRAM INCOME REPORT**

Jurisdiction: \_\_\_\_\_

Report Period 7/1/\_\_\_\_ to 6/30/\_\_\_\_

Date Reuse Plan Submitted: \_\_\_\_\_ Program Income on Hand\*: \_\_\_\_\_

\*Include PI reported in Sect.V, Col. E and any PI on hand that has not been deposited into a RLF.

<b>SECTION I. PI RECEIVED FROM CDBG GRANTS</b>			
<b>A.  CDBG Grant Number</b>	<b>B. Total Program Revenue Received During Report Period<sup>(1)</sup></b>	<b>C. Program Revenue Used for Open Grants or Returned to Dept.<sup>(2)</sup></b>	<b>D.  Program Revenue Deposited into RLF's</b>
<b>1.</b>	\$	\$	\$
<b>2.</b>			
<b>3.</b>			
<b>4.</b>			
<b>5.</b>			
<b>TOTAL:</b>	\$	\$	\$

(1) Column B must equal columns C plus D. Column B figures should be the net receipts after deducting costs of obtaining the income.

(2) Explain in the Comments Section the purpose and amount of PI used for open grants.

<b>SECTION II. PI RECEIVED FROM RLF's</b>			
<b>A.  RLF Name</b>	<b>B. Total Program Revenue Earned on RLF's<sup>(3)</sup></b>	<b>C.  Deposits to RLF from Section I, Column D</b>	<b>D. Total PI Earned &amp; Deposited into RLF's (Columns B + C)</b>
<b>1.</b>	\$	\$	\$
<b>2.</b>			
<b>3.</b>			
<b>TOTAL:</b>	\$	\$	\$

(3) Only report revenue earned on RLF such as loan payments and interest after deducting the cost of obtaining the income.

<b>SECTION III. STATUS OF RLF's USED</b>			
<b>A.  RLF Name</b>	<b>B. PI Disbursed for Revolving Activities<sup>(4)</sup></b>	<b>C. PI Disbursed for Non- Revolving Activities<sup>(5)</sup></b>	<b>D. Total PI Disbursed (Columns B + C)</b>
<b>1.</b>	\$	\$	\$
<b>2.</b>			
<b>3.</b>			
<b>TOTAL:</b>	\$	\$	\$

(4) At least 51% of PI disbursed during FY must be for revolving activities.

(5) Up to 49% of PI disbursed during FY can be for non-revolving activities. PI used to amend an open grant is reported on Column C, but is not included when determining the above percentages. In the Comment Section, explain the purpose and amount of RLF funds used to amend the open grant.

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SECTION IV. NON-REVOLVING EXPENDITURES					
A.  RLF Name	B. PI Disb. for Non-Revolving Activities from Sect. III, Col. C	C. Amount Used For General Admin.	D. Amount Used For RLF Grants	E. Amount Used For Activity Delivery	F. Amount Used For Open Grants <sup>(6)</sup>
1.	\$	\$	\$		\$
2.					
3.					
<b>TOTAL:</b>	\$	\$	\$		\$

(6) Amount used to amend and/or augment open grant activities.

SECTION V. RLF BALANCE				
A.  RLF Name	B.  Beginning Balance	C. Total PI Earned from Sec. II, Col. D	D. Total Disbursed from Section III Column D.	E.  Ending Balance (Cols. B+C-D)
1.	\$	\$	\$	\$
2.				
3.				
<b>TOTAL:</b>	\$	\$	\$	\$

Section VI. LOAN SERVICING COSTS
<p>Grantees that elect to deduct loan servicing costs from program revenue to determine the revenue reported as <b>Program Income</b> need to provide the following information:</p> <p>Gross Revenue Earned minus Loan Servicing Costs equals Reported Program Income:            \$ _____ minus \$ _____ equals \$ _____</p> <p>Note: The Reported Program Income will equal the total of Section I, Column B and Section II, Column B.</p>

SECTION VII. GRANTEE CERTIFICATION OF REPORT
<p>This certification indicates that this report is true in all respects and that all program income expenditures were for CDBG-eligible activities which addressed a national objective.</p> <p>Authorized Signature: _____</p> <p>Print Name: _____</p> <p>Title: _____</p> <p>Date: _____</p>

Comments: \_\_\_\_\_

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Revised 9/99

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